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OMB/RECORDS MANAGEMENT DIVISION
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ROLL NUMBER

DESCRIPTION

1299

2001 HOUSE GOVERNMENT AND VETERANS AFFAIRS

HB 1299

2001 HOUSE STANDING COMMITTEE MINUTES

BILL/RESOLUTION NO. HB 1299 A

House Government and Veterans Affairs Committee

Conference Committee

Hearing Date 1-25-01

Tape Number	Side A	Side B	Meter #
2	x		451-2875
Committee Clerk Signature <i>Robin D. Small</i>			

Minutes:

REP. M. KLEIN called the meeting to order, with all members present.

In favor:

REP. DEKREY introduced the bill to the committee, being he was the main sponsor of the bill.

Against:

ROGER ROSTVET, ND GAME & FISH

Please see attached testimony.

MIKE BRAND, ND STATE LAND DEPARTMENT

Please see attached testimony.

W.C. WOCKEN, CITY ADMINISTRATOR

Please see attached testimony.

REP. CLEARY asks if this would mean Parks and Rec., could not acquire land also? WOCKEN replies with reading of the bill, does not see a definition regarding to that. REP. CLEARY asks if

WOCKEN views this as a very vague bill? WOCKEN replies that yes it has some very unclear points.

REP. KLEMIN states that there is no procedure in the bill that would acquire land if this became law. WOCKEN states that the bill is unclear.

Against:

GREG SUND, CITY OF DICKINSON

SUND talks about the time the city went bust. Hits on the issues of limitations of farmland.

ALAN M. WALKER, CITY OF MINOT

WALKER states that they can not operate the way they are now, if this bill is passed and so they oppose this bill very much.

JERRY JOHNSTAD, ND LEAGUE OF CITIES

For the record is opposed to this bill.

BILL PFEIFER, ND CHAPTER WILDLIFE SOCIETY

Please see attached testimony.

MIKE DONAHUE, ND WILDLIFE FEDERATION & UNITED SPORTSMEN OF ND

Opposed to this bill.

In favor:

BRIAN KRAMER, NORTH DAKOTA FARM BUREAU

Please see attached testimony.

REP. KLEMIN asks about zoning authority, and who has the control over it? KRAMER has no reply, not sure.

DENNIS MILLER, LANDOWNERS OF NORTH DAKOTA

Page 3
House Government and Veterans Affairs Committee
Bill/Resolution Number HB 1299 A
Hearing, Date 1-25-01

MILLER states to the committee that landowners are the best stewards of the land and is in support of this bill.

Against:

DAVE KOLAND, ND RURAL WATER SYSTEMS

KOLAND talks about easements and surface rights.

REP. M. KLEIN speaks about easements and the negativity's regarding getting them.

There was no other testimony against or in favor, so REP. M. KLEIN closed the hearing. There was no action on the bill at this time.

2001 HOUSE STANDING COMMITTEE MINUTES

BILL/RESOLUTION NO. HB 1299 B

House Government and Veterans Affairs Committee

Conference Committee

Hearing Date 1-26-01

Tape Number	Side A	Side B	Meter #
1		X	1963-2155

Committee Clerk Signature *Robin L. Smith*

Minutes:

REP. M. KLEIN called the committee to order.

Committee work: HB 1299

REP. KLEMIN motioned for a DO NOT PASS, seconded by REP. GRANDE. The roll call vote was taken with 13 YES, 2 NO, 0 ABSENT AND NOT VOTING. The CARRIER of the bill is REP. KLEMIN.

HB 1299: DO NOT PASS 13-2-0

CARRIER: REP. KLEMIN

Date: 1-26-01

Roll Call Vote #: 1

2001 HOUSE STANDING COMMITTEE ROLL CALL VOTES
BILL/RESOLUTION NO. HB 1299

House GOVERNMENT AND VETERANS AFFAIRS Committee

Subcommittee on _____

or

Conference Committee

Legislative Council Amendment Number _____

Action Taken Do Not Pass

Motion Made By Klein Seconded By Grande

Representatives	Yes	No	Representatives	Yes	No
CHAIRMAN KLEIN	✓		REP KROEBER	✓	
VICE CHAIR GRANDE	✓				
REP BELLEW	✓				
REP BRUSEGAARD		✓			
REP CLARK	✓				
REP DEVLIN		✓			
REP HAAS	✓				
REP KASPER	✓				
REP KLEMIN	✓				
REP MEIER	✓				
REP WIKENHEISER	✓				
REP CLEARY	✓				
REP HUNSKOR	✓				
REP METCALF	✓				

Total (Yes) 13 No 2

Absent _____

Floor Assignment Rep. Klein

If the vote is on an amendment, briefly indicate intent:

REPORT OF STANDING COMMITTEE (410)
January 26, 2001 12:57 p.m.

Module No: HR-14-1731
Carrier: Klemin
Insert LC: . Title: .

REPORT OF STANDING COMMITTEE

HB 1299: Government and Veterans Affairs Committee (Rep. M. Klein, Chairman)
recommends **DO NOT PASS** (13 YEAS, 2 NAYS, 0 ABSENT AND NOT VOTING).
HB 1299 was placed on the Eleventh order on the calendar.

2001 TESTIMONY

HB 1299



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North Dakota Farm Bureau

www.ndfb.org

NORTH DAKOTA FARM BUREAU

TESTIMONY ON

HOUSE BILL 1299

Chairman Klein and members of the Government and Veterans Affairs, my name is Brian Kramer. I am appearing before you on behalf of North Dakota Farm Bureau. We stand in support of HB 1299.

This bill seeks to impose restrictions on government ownership of land. This is not a new concept. The government consistently imposes similar restrictions on the use of land. Wetlands are a prime example. The federal government has in place a "no net loss of wetlands" policy requiring like amounts of wetland mitigation if wetlands are to be converted for any purpose. We believe the same type of restriction should be placed on government land ownership. Currently the United States owns more than forty percent of the land in this country. In North Dakota, the government ownership of land is nearly twelve percent. At what point do we say, "Enough is enough?" We believe the point has been reached

The economies of local communities are dependent on productivity and the tax base of the surrounding land. Land that is owned by the United States government receives "in lieu of" tax payments. Those payments historically average around sixty percent (60%) of taxes paid on comparable land. How much more lost revenue should our state and local communities be asked to bear? While it's true that state-owned property meets one hundred percent (100%) in lieu of payments, the economic losses are considerable. The new wealth generated by agricultural production is gone. The schools and churches suffer a lack of membership. Main street businesses succumb.

One future. One voice.

HB 1299 does not preclude government entities from acquiring property for needed infrastructure or facilities. It only speaks to acquisitions for consumptive uses. Necessary road construction, buildings and facilities are exempt. This bill would require that if new construction results in property being vacated and the vacated land is no longer needed for public use, then that property would be disposed.

The bill also addresses disposition of land that has been taken back for delinquent taxes. However, the language needs to be amended. Current language in Section 2, subsection 2 refers to land that is tax abated. Tax abatement is only a forgiveness of tax liability and no ownership is transferred. The language on page one, line seventeen should read, "If the property is acquired by a government entity for tax delinquency," Please see the attachment for clarification.

Committee members, the various governments own more land than they need and more land than they can properly manage. We need to protect our economic viability. We need to keep the country in the hands of the first and best environmental stewards, the private landowner. We support HB 1299 and we encourage your support as well. Thank you.

If there are any questions, I will try to respond.

Proposed amendment to House Bill 1299

Page one, line seventeen: Strike "tax abated" and replace with "is acquired by a government entity for tax delinquency."

bobhnlf@ndak.net

01/23/01 03:28 PM

To: mklein@state.nd.us

CC:

Subject: HB1299

Dear Matt,

Attached is my testimony on HB1299. I would very much appreciate it if you will consider this testimony and be sure it is presented to your committee members. Unfortunately, I can not get to Bismarck this Thursday, however, I will be able to get down on Friday. I believe this bill would be very beneficial for North Dakota and help distinguish us while indicating that this state values private property rights and private ownership.... your support of this bill would be very much appreciated.

I am attaching it as a WORK document and also in TEXT below.

Respectfully,

Bob Hale

Testimony in FAVOR of
HB 1299 – No Net Gain of Government Owned Land

Chairman Klein and members of the Government and Veteran Affairs Committee, I appreciate the opportunity to testify on HOUSE BILL 1299.

If this bill were to become law our state would be the first in the nation to limit the amount of land to which governmental entities may take title.

While there are fundamental and philosophical reasons to limit the amount of land held in government ownership there are equally compelling common sense and fiscal reasons to limit such ownership.

The last decade has seen an escalating rate of governmental entities purchasing land previously held in private ownership, removing it from the tax rolls and private management. North Dakota has almost 1/3 of its landmass in government ownership. That amount is increasing. As land is moved from private to public ownership the intensity of use, management and productivity of the land is diminished.

The reality of this is a reduced tax base together with an increased demand

for higher taxes needed to care for and manage the “new” publicly acquired land.

We should keep in mind that ownership of private property is the hallmark of a free people and the fundamental component in the creating of wealth.

There are those who argue that privately owned land is not maintained or properly cared for. Certainly there are examples that demonstrate this truth. However, that is the rare exception and not the rule. This past summer demonstrated the consequence of the mismanagement of publicly owned lands. Ten million acres of forest and grasslands were consumed by fire. This was the result of a failure to manage and maintain these vast expanses of public property. The losses, both financially and environmentally far exceeded anything that takes place on private land.

Yes, there may be those who will claim that this bill will prohibit the acquisition of lands for “parks”, “wildlife”, “refuge areas”, and the like. Those individuals should be asked how much land is needed for such purposes? Is there a limit?

This bill sets out a series of exceptions to the limitation of governmental acquisitions. These exceptions provide for acquisition of land for infrastructure necessary to support and provide the services that will enhance the lives of the citizens of our great state.

What this bill will do if passed is make a clear statement that North Dakota puts its trust in its citizens and their stewardship of the natural resources and bounty of our state.

Three final comments.

ONE: Some question whether or not the federal government can be prohibited from acquisition of land in our state. The answer is YES. The federal government has not special power or claim permitting it the right to acquisition of privately held land in North Dakota. If, the federal government is able to qualify under the exceptions in this bill, of course, it can acquire land.

TWO: Some may question whether this is an “anti-property rights bill”, if it prohibits a private property owner from selling to a governmental entity if he/she wishes. Yes, in one sense it does limit the buyers a private property owner may have. However, the purpose of this bill is to set public policy – which is the prerogative of the legislature – stating that maximizing private property ownership and minimizing public ownership of land is in the long term best interest and benefit of the

public good.

THREE: Settlement of the American West was unique. Our forefathers recognized the great benefits to the citizens and the country that sprang from private property ownership. The Homestead Acts brought this vast landmass, some of which is now North Dakota, under meaningful stewardship. That stewardship being PRIVATE OWNERSHIP. Private ownership not only tamed an otherwise hostile physical environment it created great wealth. We benefit from that wealth every day, in the form of the food we eat, the electricity and heat we use and the variety of countless other goods that come only from the stewardship of privately owned land. But most important private ownership is the key to our independence.

Members of the committee you are urged to support this bill. It will make North Dakota the national leader in recognizing and acknowledging that PRIVATE property ownership provides for a much more secure and prosperous future for all citizens than does less private property ownership.

This bill is endorsed by the Ward County Farm Bureau.

PLEASE VOTE DO PASS WHEN YOU CONSIDER THIS BILL.

Thank you for permitting me to testify and I will be happy to try to answer any questions you may have.

Presented by:
Robert L. Hale
5750 16th Avenue SW
Minot, North Dakota 58701
701-858-0800
E-mail: bobhnlf@ndak.net



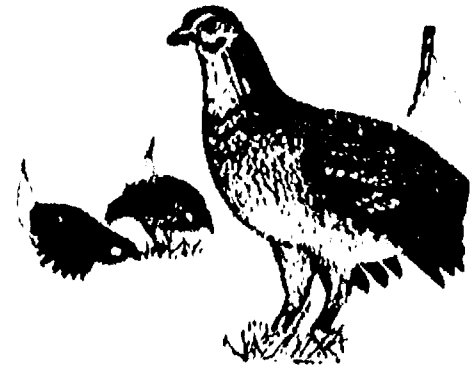
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North Dakota Chapter

THE WILDLIFE SOCIETY

P.O. BOX 1442 • BISMARCK, ND 58502



**TESTIMONY OF BILL PFEIFER
NORTH DAKOTA CHAPTER OF THE WILDLIFE SOCIETY
PRESENTED TO THE HOUSE GOVERNMENT
AND VETERANS AFFAIRS COMMITTEE
ON HB 1299, JANUARY 25, 2001**

MR. CHAIRMAN AND MEMBERS OF THE COMMITTEE:

I'm Bill Pfeifer speaking on behalf of the North Dakota Chapter of The Wildlife Society, an organization of approximately 300 professional natural resource managers, including game managers, scientists, and teachers. The Wildlife Society opposes HB 1299.

When I began to prepare testimony concerning this Bill, I wondered what is the intent of the Bill. What is to be accomplished and what effect would this have on all government entities including townships, counties, cities, the state and federal governments.

My list of negative effects grew long, but the following are a few.

- How would a city expand a landfill or a water sewage treatment plant?
- How would the universities expand agricultural research projects?
- How would the State Water Commission build an outlet to Devils Lake?
- How would the Bureau of Reclamation continue to provide water through the pipelines to southwest and northwest North Dakota?
- How would the new school just built in Bismarck have been accomplished?
- How would the Grand Forks civic center become a reality?
- How would the city of Bismarck expand its airport runway system?

- How would the National Guard expand its facilities?

The list could go on and on, but I think the point is made. This Bill appears to be intent on hamstringing governmental entities so they can no longer be as efficient and effective as they presently are for the benefit of all citizens.

I must apologize for taking so much of your time with such a proposal as HB 1299, so I ask that your committee join The Wildlife Society in opposing this Bill and give a unanimous DO NOT PASS.

TESTIMONY IN OPPOSITION TO HOUSE BILL NO. 1299

W. C. Wocken, Administrator

City of Bismarck

January 26, 2001

Mr. Chairman and committee members my name is Bill Wocken. I am the City Administrator for the City of Bismarck. I am opposed to HB 1299.

My city has made it a practice to attempt to return to productive use all parcels of land it considers excess to its operations. This includes tax title lots, storm water detention ponds, and pieces of property the city acquired as a part of a construction activity that were either necessary at the time of construction or that were part of an acquisition and were deemed as an uneconomic remnant at the time of acquisition. We also hold a modest acreage as an industrial park; sites set aside for prospective businesses who ask to come to Bismarck, usually from out of state. When these firms are looking at our city they look for land available and often the construction of a building and acquisition of land within a very tight timeframe is a major consideration. This bill as written makes it very difficult or impossible to continue these legitimate governmental operations.

My city, as I previously remarked, tries to hold as little property in public ownership as possible. They understand that exempt property does not pay for the municipal services we struggle to budget each year. This bill, as written, would severely constrain our ability to use lands for parks and industrial sites. I believe this language would even restrict our ability to acquire utility easements or air rights.

I am in opposition to HB 1299 and respectfully request a DO NOT PASS recommendation on this bill. Thank you for this opportunity to comment.

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Robert J. Olheiser
COMMISSIONER

TESTIMONY OF MIKE BRAND
Director, Surface Management

HB 1299
House Government and Veterans Affairs Committee

January 25, 2001

HB 1299 states that the United States, the state of North Dakota and its political subdivisions may not acquire title to or control over land other than that which is currently held, with some exceptions. This bill, if passed, would have a negative fiscal impact on the common schools trust fund and the 12 other funds administered by the Board of University and School Lands. The Land Board funds mortgages with farmers and ranchers of this state under North Dakota Century Code Chapter 15-03. We currently have \$50 million in outstanding loans which are secured by real property. On those occasions where the loan is in default, the loan can be foreclosed or a deed in lieu of foreclosure can be accepted. Because HB 1299 would prevent the State from acquiring title to mortgaged property, mortgages issued by the State would not be secured. Not only could the security in existing loans be in jeopardy, the Land Board would probably have to stop issuing mortgages on farm and ranch property because they could not take the property as security.

I assume that HB 1299 would not prevent the sale of land by one government agency to another. In the past, the North Dakota State Game and Fish Department, the North Dakota State Forest Service, the North Dakota Parks and Recreation Department and the U.S. Fish and Wildlife Service have purchased trust lands. The lands have been used for public purposes including parks, wildlife management areas, wildlife refuges, Garrison Diversion mitigation and State Forest Lands. Some trust lands have high public values but may not be desirable for farming or grazing. For example, forested lands are expensive to fence and often go unleased. These lands don't produce an income for the trusts. If they could be sold to another agency, the public could enjoy the benefits of these lands and the trust could invest the sale proceeds. The common schools trust fund has also purchased a few tracts from the State Treasurer.

Two final points are: 1) This bill would prevent the state from receiving land by escheat. The statutes now require that "Whenever the title to any property fails for want of heirs or next of kin, it reverts to the state". Escheated lands are managed by the Land Board. 2) The common schools trust fund would be prevented from accepting donations of land under HB 1299. For example, in December of 1999, the common schools trust fund received a donation of land valued at \$40,000. This land will be a perpetual benefit to the schools of North Dakota.

For the reasons outlined above, I respectfully request that you carefully consider the negative fiscal impact on both the trust funds and on the farmers and ranchers of the State.

**TESTIMONY OF THE NORTH DAKOTA GAME AND FISH DEPARTMENT
HB 1299: LAND ACQUISITION - NO NET GAIN
HOUSE GOVERNMENT AND VETERANS AFFAIRS COMMITTEE
JANUARY 25, 2001**

The North Dakota Game and Fish Department opposes HB1299 for a number of valid reason.

This law would severely impact a number of current and proposed programs that are considered by most to be in the best interest of the state. Any expansion of our current Private Lands Open To Sportsmen (PLOTS) program would be prohibited as the Department currently has monetary agreements with willing landowner for 120,000 acres and controls the hunting rights and public access to these properties. Because of PLOTS popularity with landowners and sportsman the department would like to expand this program by 20,000 acres per year.

Just recently the state of North Dakota and the US Dept of Agriculture entered into a an agreement for the North Dakota Game and Fish and USDA to cooperatively fund a Conservation Reserve enhancement Program (CREP). This program has the potential of providing willing North Dakota land owners up to 44 million dollars over the next 15 years for 30 year hunting and land use easements.

Land donations from private families as memorials would require divestitures of properties. Even acquisitions for boat ramps and fishing access are deemed unnecessary by this bill.

The North Dakota Game and Fish Department urges a **DO NOT PASS** recommendation on HB1299.